

Message

From: Bates, Samuel [Bates.Samuel@epa.gov]
Sent: 4/10/2019 2:50:04 PM
To: Buchanan, Kayla [buchanan.kayla@epa.gov]; McDowell, Justin [McDowell.Justin@epa.gov]; Flores, Carlos [Flores.Carlos@epa.gov]
Subject: FW: Air Enforcement input for ITC testimony
Attachments: RMP Fact Sheet_ITC_040219.docx; ITC CAA_040219.docx

FYI

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From: Thompson, Steve
Sent: Tuesday, April 02, 2019 1:14 PM
To: Crossland, Ronnie <Crossland.Ronnie@epa.gov>; Smalley, Bryant <smalley.bryant@epa.gov>; Smith, Monica <smith.monica@epa.gov>
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Subject: Air Enforcement input for ITC testimony

Bryant/Ronnie/Monica

I have reviewed the testimony and I don't have any comments. Attached are two documents that cover RMP background/enforcement and CAA inspection activities for the site. Please let me know if you have additional questions.

Steve

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ITC - Risk Management Plan Summary

Summary of ITC Risk Management Plan

Intercontinental Terminals Company, LLC submitted their most recent Re-Submission to EPA on March 12, 2018. Previous submissions were made on January 20, 2017, February 12, 2014, and August 20, 2012.

The RMP lists the following chemicals

1. 1, 3-Butadiene
2. Vinyl acetate monomer
3. 1-Butene
4. Isoprene
5. 1, 3-Pentadiene

The above chemicals are listed in the following processes:

1. CR BD 35's Sphere
2. VAM 12's
3. Butene- 1 Spheres 11&22
4. BD Tank 105-3
5. VAM 35
6. CR Isoprene 105-1/35-16
7. Ref BD 25's Spheres
8. Raffinate 31's
9. Butylene 25
10. Piperylene 35-5
11. VAM 100-7

No accidents were reported in the March 12, 2018 re-submission Five-year Accident History. This requirement covers accidents which resulted in deaths, injuries, or significant property damage on site, or known offsite deaths, injuries, evacuations, sheltering in place, property damage or environmental damage.

In order to determine if the tank fires are covered under the Risk Management Program, EPA will need additional information on whether any of the specific tanks and the chemicals stored in these tanks are part of one of the above processes. This information would be obtained through a comprehensive Risk Management Program Inspection or a Clean Air Act Information Request (114).

If the tanks are part of the covered process, mechanical integrity requires that inspections and tests be performed on process equipment and follow "recognized and generally accepted good engineering practices." This often includes industry standards specific to the type of tank and their stored contents.

Requirements of January 13, 2017 RMP Rule Amendments

EPA amended certain requirements of the Risk Management Program in 2017. The only significant change from these amendments is that ITC would be required annually to coordinate its emergency response plan with the local emergency planning and response organizations. The Rule Amendments require that the owner or operator provide to the local emergency planning and response organizations the facility's emergency response plan, updated emergency contact information, and any other information that local emergency planning and response organizations identify as relevant to local emergency response planning.

RMP Compliance Activities at the Site

Previous RMP Inspection occurred at the facility on June 4, 2014. This inspection resulted in the issuance of an Expedited Settlement Agreement with the facility on February 12, 2015. At the time of the inspection, the following violations were noted:

1. Facility only considered one alternative release scenarios, instead of all of the listed scenarios.
2. Facility did not retain the documentation for the worst case scenario which should include a description of the vessel or pipeline and substance selected, assumptions and parameters used, the rationale for selection, and anticipated effect of the administrative controls and passive mitigation on the release quantity and rate.
3. Facility did not use the most recent census data for the population affected.
4. Facility did not establish a system to promptly address the team's findings and recommendations from the process hazard analysis, since there was no process to show its implementation.

The terms of the Expedited Settlement Agreement required the facility to pay a penalty of \$3,300 and certify that the Respondent has corrected the violations alleged.

BACKGROUND SUPPORTING DOCUMENTS

Risk Management Plan (RMP) Rule Overview

Section 112(r) of the Clean Air Act Amendments requires EPA to publish regulations and guidance for chemical accident prevention at facilities that use certain hazardous substances. These regulations and guidance are contained in the Risk Management Plan (RMP) rule. The RMP rule requires facilities that use extremely hazardous substances to develop a Risk Management Plan which:

- identifies the potential effects of a chemical accident,
- identifies steps the facility is taking to prevent an accident, and
- spells out emergency response procedures should an accident occur.

These plans provide valuable information to local fire, police, and emergency response personnel to prepare for and respond to chemical emergencies in their community. Making RMPs available to the public also fosters communication and awareness to improve accident prevention and emergency response practices at the local level.

The RMP rule was built upon existing industry codes and standards. It requires facilities that use listed regulated Toxic or Flammable Substances for Accidental Release Prevention to develop an RMP and submit that plan to EPA.

Who must submit an RMP?

Facilities holding more than a threshold quantity of a regulated substance in a process are required to comply with EPA's Risk Management Program regulations. The regulations require owners or operators of covered facilities to implement a risk management program and to submit an RMP to EPA. See: [[HYPERLINK "https://www.epa.gov/rmp/general-rmp-guidance-chapter-1-general-applicability"](https://www.epa.gov/rmp/general-rmp-guidance-chapter-1-general-applicability)].

What information must an RMP include?

Each facility's program should address three areas:

- Hazard assessment that details the potential effects of an accidental release, an accident history of the last five years, and an evaluation of worst-case and alternative accidental releases;
- Prevention program that includes safety precautions and maintenance, monitoring, and employee training measures; and
- Emergency response program that spells out emergency health care, employee training measures and procedures for informing the public and response agencies (e.g the fire department) should an accident occur.

How often must facilities submit an RMP?

The plans are revised and resubmitted to EPA every five years.

What chemicals must be reported under RMP?

The rule includes a [[HYPERLINK "https://www.epa.gov/rmp/list-regulated-substances-under-risk-management-plan-rmp-program"](https://www.epa.gov/rmp/list-regulated-substances-under-risk-management-plan-rmp-program)] under section 112(r) of the Clean Air Act, including their synonyms and threshold quantities (in pounds) to help assess if a process is subject to the RMP rule.

2017 RMP Amendments Compliance Obligations

Because EPA is proposing to revise and repeal significant portions of the 2017 final rule that amended the Accidental Release Prevention Requirements for Risk Management Programs, EPA delayed the effective date of the rule. However, due to a court decision that vacated the effective date delay, and the court's expedited issuance of its mandate, the final RMP Amendments rule is now in effect. Because the 2017 rule contains a schedule of compliance dates for many of the major provisions, the issuance of the mandate does not create current compliance obligations for some parts of the rule. The following describes the RMP Amendments rule provisions that have current compliance obligations and those for which compliance will be due in the future. EPA has proposed to repeal many of the provisions with future compliance dates.

2017 RMP Amendments with current compliance obligations:

Emergency Coordination Provisions

Emergency response coordination activities (§ 68.93) - (applies to sources with Program 2 and Program 3 processes)

- The facility owner or operator must coordinate response needs at least annually with local emergency planning and response organizations, and document these coordination activities.
- The facility owner or operators must provide to the local emergency planning and response organizations:
 - the stationary source's emergency response plan if one exists,
 - the source's emergency action plan,
 - updated emergency contact information, and
 - any other information that local emergency planning and response organizations identify as relevant to local emergency response planning.

Responding stationary sources must consult with local emergency response officials to establish appropriate schedules and plans for field and tabletop exercises required under § 68.96(b) before the March 15, 2021 compliance date for exercise provisions.

Emergency Response Program Provisions

Revisions to the Emergency Response Program requirements in § 68.95:

- Inform Federal and state emergency response agencies about accidental releases.
- Review and update the source's emergency response plan, as appropriate. Base updates on changes at the stationary source or new information obtained from:
 - coordination activities,
 - emergency response exercises,
 - incident investigations, or
 - other available information.
- Ensure that employees are informed of the changes to the source's emergency response plan.

A facility owner or operator must develop and implement an Emergency Response Program within three years of when the facility becomes subject to the requirements (i.e., a need for a facility Emergency Response Program is determined) (see § 68.10(c)).

Prevention Program Provisions

Changes to the Program 2 and Program 3 Prevention Program requirements (Subparts C and D) for which the effective date is the compliance date (§ 68.10(a)(4)):

Safety information (§ 68.48)

- Maintain Safety Data Sheets (SDS) instead of Material Safety Data Sheets (MSDS).

Hazard review (§ 68.50)

- Include findings from incident investigations in the hazard review.

Training (§§ 68.54 & 68.71)

- Employee training requirements also apply to supervisors responsible for directing process operations and supervisors with process operational responsibilities.

Compliance audits (§§ 68.58 & 68.79)

- The owner or operator must evaluate compliance with the provisions of the RMP rule “for each covered process” at least every three years.

Incident investigation (§§ 68.60 & 68.81)

- Added the phrase “(i.e., a near miss)” to describe incidents that “could reasonably have resulted in a catastrophic release.”
- An investigation is required when an incident resulting in a catastrophic release also results in the affected process being decommissioned or destroyed.
- Require incident investigation teams to be established for incident investigations on Program 2 processes (§ 68.60(c)).
- Incident investigation reports shall be completed within 12 months of the incident, unless the implementing agency approves, in writing, an extension of time.
- Replaced the word “summary” with “report” to describe the documentation required for an incident investigation (§ 68.60).
- Specified content of the investigation report – new provisions are underlined:
 - Date, time, and location of the incident;
 - description of incident, in chronological order, providing all relevant facts;
 - the name and amount of the regulated substance involved in the release (e.g. fire, explosion, toxic gas loss of containment) or near miss and the duration of the event.
 - the consequences, if any, of the incident including, but not limited to: injuries; fatalities; the number of people evacuated; the number of people sheltered in place; and the impact on the environment;
 - emergency response actions taken;
 - the factors that contributed to the incident including the: initiating event; direct and indirect contributing factors; and root causes. Root causes shall be determined by conducting an analysis for each incident using a recognized method. (for incidents that occur after March 15, 2021).
 - recommendations resulting from the investigation and a schedule for addressing them.

Process safety information (§ 68.65)

- Owner or operator required to keep process safety information up-to-date.

- Material Safety Data Sheets revised to Safety Data Sheets (SDS) in note to paragraph (b).

Process hazard analysis (§ 68.67)

- PHA must include the findings from all incident investigations required under § 68.81, as well as any other potential failure scenarios.

Information Availability Provisions

The RMP availability provision was revised to include a reference to regulations that limit disclosure of the RMP offsite consequence analysis (§ 68.210(a)).

RMP Amendments with future compliance obligations:

The compliance date for the following RMP Amendments provisions is March 15, 2021:

- Third-party audit provisions in §§ 68.58(f), 68.58(g), 68.58(h), 68.59, 68.79(f), 68.79(g), 68.79(h), and 68.80;
- Incident investigation root cause analysis provisions in §§ 68.60(d)(7) and 68.81(d)(7);
- Safer technology and alternatives analysis in § 68.67(c)(8); and
- Emergency response exercise provisions in § 68.96.
- Providing chemical hazard information or community preparedness information to the public and conducting a public meeting 90 days after an RMP accident in § 68.210 (b) –(e).

Facilities are required to update their RMPs to comply with new or revised provisions by March 14, 2022.

ITC - Clean Air Act Investigation Summary

We have conducted several compliance monitoring activities at the ITC terminal in Deer Park since 2012. None of these activities resulted in a formal EPA enforcement action. Below is a brief facility summary and a summary of EPA CAA investigations.

Facility Summary

Intercontinental Terminals Company (ITC) owns and operates a for-hire bulk liquid storage terminal (Deer Park Terminal) located in Deer Park, Harris County, Texas that is authorized to receive, store, and transfer chemicals, crude, and petroleum products. The Deer Park Terminal storage tanks and associated loading, piping, control, and support facilities are authorized by Title V Permit No. O-1061, issued by the Texas Commission on Environmental Quality. The Title V permit, last modified in November 2017, authorizes 222 storage tanks. These tanks may be subject to a variety of regulations including the following: NSPS K, NSPS Ka, NSPS Kb, NESHAP Y, MACT R, and MACT EEEE. The applicability of these regulations is determined by the specific applicability section of the referenced subparts. Intercontinental Terminals Company LLC is a subsidiary of Mitsui & Co. (USA), Inc. according to the Mitsui website.

August, October 2012 EPA Region 6 CAA Inspection

In 2012-2013, Region 6 conducted investigations at two tank terminals, ITC and Vopak terminals in Deer Park in response to an analysis of elevated benzene concentrations at the Deer Park and Channelview ambient monitors operated by TCEQ. In August, 2012, Region 6 sent records requests to both facilities, focused on their tanks compliance records, and followed that up with an on-site CAA inspection at both facilities in October, 2012. The inspectors used an optical gas imaging IR camera to survey volatile organic compounds (VOC) emissions sources at the facilities. **The inspection report for ITC noted several areas of concern but subsequent compliance discussions with the company and review of the evidence led Region 6 to decide against formal enforcement against ITC.** The violations at Vopak were pursued and EPA entered into a Consent Decree (in which the State of Texas was a Co-Plaintiff) with Vopak on May 17, 2017.

April, May 2013 NEIC Monitoring in and around ITC

NEIC conducted mobile monitoring with their Geospatial Measurement of Air Pollutants (GMAP) in the Houston Ship Channel several times over the next few years:

- In April and May 2013, NEIC conducted GMAP monitoring near ITC and Vopak on May 1, 2013.
- In 2016, NEIC conducted an advanced technology demonstration at ITC with infrared cameras, their GMAP, S-Pods, and air canisters. The areas of concern listed by NEIC related to flaring inefficiency (addressed with the company in a 2016-2017 flaring investigation described below),

emissions from a single wastewater tank, and elevated readings that NEIC concluded “appear to be coming from neighboring facilities.”

May 2016 EPA Region 6 Flaring Investigation:

In May 2016, Region 6 sent an information request to ITC for flaring data. In subsequent discussions with Region 6, ITC explained that that they had discovered the failure of some of their monitoring equipment which may have led to insufficient natural gas addition. The facility began implementing corrective actions as soon as the issue was discovered in the summer of 2016 and completed all corrective actions around May 2, 2017. ITC provided documentation through December 2017 that showed a return to compliance and Region 6 closed the investigation without formal enforcement.

Message

From: Hoyt, Daniel [Hoyt.Daniel@epa.gov]
Sent: 6/7/2013 7:09:27 PM
To: Lutz, Craig [Lutz.Craig@epa.gov]; Valentine, Greg [valentine.greg@epa.gov]
CC: Tate, Samuel [Tate.Samuel@epa.gov]
Subject: ITC 114
Attachments: Intercontinental Terminals post inspection 114 Enclosure draft 6 7 2013.docx; Intercontinental Terminals post inspection 114 Cover Letter draft 6 7 2013.doc

Greg and Craig,

Here is the draft ITC 114 we previously discussed. Please take a look. I need to make sure all the tanks you identified with the IR camera are included, and I also need the specific date of your IR camera imaging (you'll see, in question #3 where I inserted a comment and left some blank space). Additionally, please let me know if you see anything that should be revised. I'll work with Sam next week to get an attorney assigned.

Thanks,

Dan

Daniel Hoyt
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Message

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CC: Tate, Samuel [Tate.Samuel@epa.gov]; Thompson, Steve [thompson.steve@epa.gov]; Welton, Patricia [Welton.Patricia@epa.gov]
Subject: RE: PowerPoint draft for ITC meeting
Attachments: ITC presentation for 11 19 dh draft 11 15 2013.pptx

Here's the updated presentation for the ITC meeting.

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From: Hoyt, Daniel
Sent: Friday, November 08, 2013 9:03 AM
To: Barnett, Cheryl; Secrest, Cary; Lutz, Craig
Cc: Tate, Samuel; Thompson, Steve; Welton, Patricia
Subject: PowerPoint draft for ITC meeting

This is a draft of the PowerPoint for the 11/19/13 meeting with ITC. I plan to run through it during our EPA-only meeting on Tuesday, 11/12/13 at 10 am.

I may receive updated graphics for the April/May 2013 mobile benzene screening from NEIC before the 11/17/13 meeting.

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